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HOUSE BILL 2467

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State of Washington

61st Legislature

2010 Regular Session

By Representatives Hunt, Armstrong, Appleton, Alexander, Chase, and Moeller; by request of Public Disclosure Commission

Prefiled 12/18/09. Read first time 01/11/10. Referred to Committee on State Government & Tribal Affairs.

1 AN ACT Relating to eliminating provisions for filings at locations  
2 other than the public disclosure commission; amending RCW 42.17.040,  
3 42.17.050, 42.17.060, 42.17.065, 42.17.067, 42.17.080, 42.17.100,  
4 42.17.380, and 42.17.450; and repealing RCW 42.17.375 and 42.17.550.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 42.17.040 and 2007 c 358 s 2 are each amended to read  
7 as follows:

8 (1) Every political committee, within two weeks after its  
9 organization or, within two weeks after the date when it first has the  
10 expectation of receiving contributions or making expenditures in any  
11 election campaign, whichever is earlier, shall file a statement of  
12 organization with the commission (~~and with the county auditor or~~  
13 ~~elections officer of the county in which the candidate resides, or in~~  
14 ~~the case of any other political committee, the county in which the~~  
15 ~~treasurer resides)). A political committee organized within the last  
16 three weeks before an election and having the expectation of receiving  
17 contributions or making expenditures during and for that election  
18 campaign shall file a statement of organization within three business~~

1 days after its organization or when it first has the expectation of  
2 receiving contributions or making expenditures in the election  
3 campaign.

4 (2) The statement of organization shall include but not be limited  
5 to:

6 (a) The name and address of the committee;

7 (b) The names and addresses of all related or affiliated committees  
8 or other persons, and the nature of the relationship or affiliation;

9 (c) The names, addresses, and titles of its officers; or if it has  
10 no officers, the names, addresses, and titles of its responsible  
11 leaders;

12 (d) The name and address of its treasurer and depository;

13 (e) A statement whether the committee is a continuing one;

14 (f) The name, office sought, and party affiliation of each  
15 candidate whom the committee is supporting or opposing, and, if the  
16 committee is supporting the entire ticket of any party, the name of the  
17 party;

18 (g) The ballot proposition concerned, if any, and whether the  
19 committee is in favor of or opposed to such proposition;

20 (h) What distribution of surplus funds will be made, in accordance  
21 with RCW 42.17.095, in the event of dissolution;

22 (i) The street address of the place and the hours during which the  
23 committee will make available for public inspection its books of  
24 account and all reports filed in accordance with RCW 42.17.080;

25 (j) Such other information as the commission may by regulation  
26 prescribe, in keeping with the policies and purposes of this chapter;

27 (k) The name, address, and title of any person who authorizes  
28 expenditures or makes decisions on behalf of the candidate or  
29 committee; and

30 (l) The name, address, and title of any person who is paid by or is  
31 a volunteer for a candidate or political committee to perform  
32 ministerial functions and who performs ministerial functions on behalf  
33 of two or more candidates or committees.

34 (3) Any material change in information previously submitted in a  
35 statement of organization shall be reported to the commission (~~and to~~  
36 ~~the appropriate county elections officer~~) within the ten days  
37 following the change.

1       **Sec. 2.** RCW 42.17.050 and 1989 c 280 s 3 are each amended to read  
2 as follows:

3       (1) Each candidate, within two weeks after becoming a candidate,  
4 and each political committee, at the time it is required to file a  
5 statement of organization, shall designate and file with the commission  
6 (~~and the appropriate county elections officer~~) the names and  
7 addresses of:

8       (a) One legally competent individual, who may be the candidate, to  
9 serve as a treasurer; and

10       (b) A bank, mutual savings bank, savings and loan association, or  
11 credit union doing business in this state to serve as depository and  
12 the name of the account or accounts maintained in it.

13       (2) A candidate, a political committee, or a treasurer may appoint  
14 as many deputy treasurers as is considered necessary and may designate  
15 not more than one additional depository in each other county in which  
16 the campaign is conducted. The candidate or political committee shall  
17 file the names and addresses of the deputy treasurers and additional  
18 depositories with the commission (~~and the appropriate county elections~~  
19 ~~officer~~).

20       (3) A candidate may not knowingly establish, use, direct, or  
21 control more than one political committee for the purpose of supporting  
22 that candidate during a particular election campaign. This does not  
23 prohibit: (a) In addition to a candidate's having his or her own  
24 political committee, the candidate's participation in a political  
25 committee established to support a slate of candidates which includes  
26 the candidate; or (b) joint fund-raising efforts by candidates when a  
27 separate political committee is established for that purpose and all  
28 contributions are disbursed to and accounted for on a pro rata basis by  
29 the benefiting candidates.

30       (4)(a) A candidate or political committee may at any time remove a  
31 treasurer or deputy treasurer or change a designated depository.

32       (b) In the event of the death, resignation, removal, or change of  
33 a treasurer, deputy treasurer, or depository, the candidate or  
34 political committee shall designate and file with the commission (~~and~~  
35 ~~the appropriate county elections officer~~) the name and address of any  
36 successor.

37       (5) No treasurer, deputy treasurer, or depository may be deemed to

1 be in compliance with the provisions of this chapter until his name and  
2 address is filed with the commission (~~and the appropriate county~~  
3 ~~elections officer~~)).

4 **Sec. 3.** RCW 42.17.060 and 1989 c 280 s 4 are each amended to read  
5 as follows:

6 (1) All monetary contributions received by a candidate or political  
7 committee shall be deposited by the treasurer or deputy treasurer in a  
8 depository in an account established and designated for that purpose.  
9 Such deposits shall be made within five business days of receipt of the  
10 contribution.

11 (2) Political committees which support or oppose more than one  
12 candidate or ballot proposition, or exist for more than one purpose,  
13 may maintain multiple separate bank accounts within the same designated  
14 depository for such purpose: PROVIDED, That each such account shall  
15 bear the same name followed by an appropriate designation which  
16 accurately identifies its separate purpose: AND PROVIDED FURTHER, That  
17 transfers of funds which must be reported under RCW 42.17.090(1)(~~d~~)  
18 (e) may not be made from more than one such account.

19 (3) Nothing in this section prohibits a candidate or political  
20 committee from investing funds on hand in a depository in bonds,  
21 certificates, tax-exempt securities, or savings accounts or other  
22 similar instruments in financial institutions or mutual funds other  
23 than the depository: PROVIDED, That the commission (~~and the~~  
24 ~~appropriate county elections officer~~) is notified in writing of the  
25 initiation and the termination of the investment: PROVIDED FURTHER,  
26 That the principal of such investment when terminated together with all  
27 interest, dividends, and income derived from the investment are  
28 deposited in the depository in the account from which the investment  
29 was made and properly reported to the commission (~~and the appropriate~~  
30 ~~county elections officer~~) prior to any further disposition or  
31 expenditure thereof.

32 (4) Accumulated unidentified contributions, other than those made  
33 by persons whose names must be maintained on a separate and private  
34 list by a political committee's treasurer pursuant to RCW  
35 42.17.090(1)(b), which total in excess of one percent of the total  
36 accumulated contributions received in the current calendar year or  
37 three hundred dollars (whichever is more), may not be deposited, used,

1 or expended, but shall be returned to the donor, if his identity can be  
2 ascertained. If the donor cannot be ascertained, the contribution  
3 shall escheat to the state, and shall be paid to the state treasurer  
4 for deposit in the state general fund.

5 (5) A contribution of more than fifty dollars in currency may not  
6 be accepted unless a receipt, signed by the contributor and by the  
7 candidate, treasurer, or deputy treasurer, is prepared and made a part  
8 of the campaign's or political committee's financial records.

9 **Sec. 4.** RCW 42.17.065 and 2000 c 237 s 1 are each amended to read  
10 as follows:

11 (1) In addition to the provisions of this section, a continuing  
12 political committee shall file and report on the same conditions and at  
13 the same times as any other committee in accordance with the provisions  
14 of RCW 42.17.040, 42.17.050, and 42.17.060.

15 (2) A continuing political committee shall file with the commission  
16 (~~((and the auditor or elections officer of the county in which the~~  
17 ~~committee maintains its office or headquarters and if there is no such~~  
18 ~~office or headquarters then in the county in which the committee~~  
19 ~~treasurer resides))~~) a report on the tenth day of the month detailing  
20 its activities for the preceding calendar month in which the committee  
21 has received a contribution or made an expenditure(~~(~~PROVIDED,~~~~  
22 ~~That))~~). However, such report shall only be filed if either the total  
23 contributions received or total expenditures made since the last such  
24 report exceed two hundred dollars(~~(~~PROVIDED FURTHER, That after~~~~  
25 ~~January 1, 2002, if the committee files with the commission~~  
26 ~~electronically, it need not also file with the county auditor or~~  
27 ~~elections officer))~~). The report shall be on a form supplied by the  
28 commission and shall include the following information:

29 (a) The information required by RCW 42.17.090;

30 (b) Each expenditure made to retire previously accumulated debts of  
31 the committee; identified by recipient, amount, and date of payments;

32 (c) Such other information as the commission shall by rule  
33 prescribe.

34 (3) If a continuing political committee shall make a contribution  
35 in support of or in opposition to a candidate or ballot proposition  
36 within sixty days prior to the date on which such candidate or ballot

1 proposition will be voted upon, such continuing political committee  
2 shall report pursuant to RCW 42.17.080.

3 (4) A continuing political committee shall file reports as required  
4 by this chapter until it is dissolved, at which time a final report  
5 shall be filed. Upon submitting a final report, the duties of the  
6 ((campaign)) treasurer shall cease and there shall be no obligation to  
7 make any further reports.

8 (5) The ((campaign)) treasurer shall maintain books of account  
9 accurately reflecting all contributions and expenditures on a current  
10 basis within five business days of receipt or expenditure. During the  
11 eight days immediately preceding the date of any election, for which  
12 the committee has received any contributions or made any expenditures,  
13 the books of account shall be kept current within one business day and  
14 shall be open for public inspection in the same manner as provided for  
15 candidates and other political committees in RCW 42.17.080(5).

16 (6) All reports filed pursuant to this section shall be certified  
17 as correct by the ((campaign)) treasurer.

18 (7) The ((campaign)) treasurer shall preserve books of account,  
19 bills, receipts, and all other financial records of the campaign or  
20 political committee for not less than five calendar years following the  
21 year during which the transaction occurred.

22 **Sec. 5.** RCW 42.17.067 and 1989 c 280 s 6 are each amended to read  
23 as follows:

24 (1) Fund-raising activities which meet the standards of subsection  
25 (2) of this section may be reported in accordance with the provisions  
26 of this section in lieu of reporting in accordance with RCW 42.17.080.

27 (2) Standards:

28 (a) The activity consists of one or more of the following:

29 (i) The retail sale of goods or services at a reasonable  
30 approximation of the fair market value of each item or service sold at  
31 the activity; or

32 (ii) A gambling operation which is licensed, conducted, or operated  
33 in accordance with the provisions of chapter 9.46 RCW; or

34 (iii) A gathering where food and beverages are purchased, where the  
35 price of admission or the food and beverages is no more than twenty-  
36 five dollars; or

1 (iv) A concert, dance, theater performance, or similar  
2 entertainment event where the price of admission is no more than  
3 twenty-five dollars; or

4 (v) An auction or similar sale where the total fair market value of  
5 items donated by any person for sale is no more than fifty dollars; and

6 (b) No person responsible for receiving money at such activity  
7 knowingly accepts payments from a single person at or from such an  
8 activity to the candidate or committee aggregating more than fifty  
9 dollars unless the name and address of the person making such payment  
10 together with the amount paid to the candidate or committee are  
11 disclosed in the report filed pursuant to subsection (6) of this  
12 section; and

13 (c) Such other standards as shall be established by rule of the  
14 commission to prevent frustration of the purposes of this chapter.

15 (3) All funds received from a fund-raising activity which conforms  
16 with subsection (2) of this section shall be deposited within five  
17 business days of receipt by the treasurer or deputy treasurer in the  
18 depository.

19 (4) At the time reports are required under RCW 42.17.080, the  
20 treasurer or deputy treasurer making the deposit shall file with the  
21 commission (~~and the appropriate county elections officer~~) a report of  
22 the fund-raising activity which shall contain the following  
23 information:

24 (a) The date of the activity;

25 (b) A precise description of the fund-raising methods used in the  
26 activity; and

27 (c) The total amount of cash receipts from persons, each of whom  
28 paid no more than fifty dollars.

29 (5) The treasurer or deputy treasurer shall certify the report is  
30 correct.

31 (6) The treasurer shall report pursuant to RCW 42.17.080 and  
32 42.17.090: (a) The name and address and the amount contributed of each  
33 person who contributes goods or services with a fair market value of  
34 more than fifty dollars to a fund-raising activity reported under  
35 subsection (4) of this section, and (b) the name and address of each  
36 person whose identity can be ascertained, and the amount paid, from  
37 whom were knowingly received payments to the candidate or committee

1 aggregating more than fifty dollars at or from such a fund-raising  
2 activity.

3 **Sec. 6.** RCW 42.17.080 and 2008 c 73 s 1 are each amended to read  
4 as follows:

5 (1) On the day the treasurer is designated, each candidate or  
6 political committee shall file with the commission (~~(and the county~~  
7 ~~auditor or elections officer of the county in which the candidate~~  
8 ~~resides, or in the case of a political committee, the county in which~~  
9 ~~the treasurer resides)~~), in addition to any statement of organization  
10 required under RCW 42.17.040 or 42.17.050, a report of all  
11 contributions received and expenditures made prior to that date, if  
12 any.

13 (2) At the following intervals each treasurer shall file with the  
14 commission (~~(and the county auditor or elections officer of the county~~  
15 ~~in which the candidate resides, or in the case of a political~~  
16 ~~committee, the county in which the committee maintains its office or~~  
17 ~~headquarters, and if there is no office or headquarters then in the~~  
18 ~~county in which the treasurer resides,)) a report containing the  
19 information required by RCW 42.17.090:~~

20 (a) On the twenty-first day and the seventh day immediately  
21 preceding the date on which the election is held; and

22 (b) On the tenth day of the first month after the election; and

23 (c) On the tenth day of each month in which no other reports are  
24 required to be filed under this section(~~(÷ PROVIDED, That)~~). However,  
25 such report shall only be filed if the committee has received a  
26 contribution or made an expenditure in the preceding calendar month and  
27 either the total contributions received or total expenditures made  
28 since the last such report exceed two hundred dollars.

29 When there is no outstanding debt or obligation, and the campaign  
30 fund is closed, and the campaign is concluded in all respects, and in  
31 the case of a political committee, the committee has ceased to function  
32 and has dissolved, the treasurer shall file a final report. Upon  
33 submitting a final report, the duties of the treasurer shall cease and  
34 there shall be no obligation to make any further reports.

35 The report filed twenty-one days before the election shall report  
36 all contributions received and expenditures made as of the end of  
37 (~~the~~) one business day before the date of the report. The report

1 filed seven days before the election shall report all contributions  
2 received and expenditures made as of the end of ~~((the))~~ one business  
3 day before the date of the report. Reports filed on the tenth day of  
4 the month shall report all contributions received and expenditures made  
5 from the closing date of the last report filed through the last day of  
6 the month preceding the date of the current report.

7 (3) For the period beginning the first day of the fourth month  
8 preceding the date on which the special election is held, or for the  
9 period beginning the first day of the fifth month before the date on  
10 which the general election is held, and ending on the date of that  
11 special or general election, each Monday the treasurer shall file with  
12 the commission ~~((and the appropriate county elections officer))~~ a  
13 report of each bank deposit made during the previous seven calendar  
14 days. The report shall contain the name of each person contributing  
15 the funds so deposited and the amount contributed by each person.  
16 However, contributions of no more than twenty-five dollars in the  
17 aggregate from any one person may be deposited without identifying the  
18 contributor. A copy of the report shall be retained by the treasurer  
19 for his or her records. In the event of deposits made by a deputy  
20 treasurer, the copy shall be forwarded to the treasurer for his or her  
21 records. Each report shall be certified as correct by the treasurer or  
22 deputy treasurer making the deposit.

23 ~~(4) ((If a city requires that candidates or committees for city  
24 offices file reports with a city agency, the candidate or treasurer so  
25 filing need not also file the report with the county auditor or  
26 elections officer.~~

27 ~~(5))~~ The treasurer or candidate shall maintain books of account  
28 accurately reflecting all contributions and expenditures on a current  
29 basis within five business days of receipt or expenditure. During the  
30 eight days immediately preceding the date of the election the books of  
31 account shall be kept current within one business day. As specified in  
32 the committee's statement of organization filed under RCW 42.17.040,  
33 the books of account must be open for public inspection by appointment  
34 at the designated place for inspections between 8:00 a.m. and 8:00 p.m.  
35 on any day from the eighth day immediately before the election through  
36 the day immediately before the election, other than Saturday, Sunday,  
37 or a legal holiday. It is a violation of this chapter for a candidate  
38 or political committee to refuse to allow and keep an appointment for

1 an inspection to be conducted during these authorized times and days.  
2 The appointment must be allowed at an authorized time and day for such  
3 inspections that is within twenty-four hours of the time and day that  
4 is requested for the inspection.

5 ~~((+6))~~ (5) The treasurer or candidate shall preserve books of  
6 account, bills, receipts, and all other financial records of the  
7 campaign or political committee for not less than five calendar years  
8 following the year during which the transaction occurred.

9 ~~((+7))~~ (6) All reports filed pursuant to subsection (1) or (2) of  
10 this section shall be certified as correct by the candidate and the  
11 treasurer.

12 ~~((+8))~~ (7) Copies of all reports filed pursuant to this section  
13 shall be readily available for public inspection for at least two  
14 consecutive hours Monday through Friday, excluding legal holidays,  
15 between 8:00 a.m. and 8:00 p.m., as specified in the committee's  
16 statement of organization filed pursuant to RCW 42.17.040, at the  
17 principal headquarters or, if there is no headquarters, at the address  
18 of the treasurer or such other place as may be authorized by the  
19 commission.

20 ~~((+9) After January 1, 2002, a report that is filed with the  
21 commission electronically need not also be filed with the county  
22 auditor or elections officer.~~

23 ~~(+10))~~ (8) The commission shall adopt administrative rules  
24 establishing requirements for filer participation in any system  
25 designed and implemented by the commission for the electronic filing of  
26 reports.

27 **Sec. 7.** RCW 42.17.100 and 1995 c 397 s 28 are each amended to read  
28 as follows:

29 (1) For the purposes of this section (~~and RCW 42.17.550~~) the term  
30 "independent expenditure" means any expenditure that is made in support  
31 of or in opposition to any candidate or ballot proposition and is not  
32 otherwise required to be reported pursuant to RCW 42.17.060, 42.17.080,  
33 or 42.17.090. "Independent expenditure" does not include: An internal  
34 political communication primarily limited to the contributors to a  
35 political party organization or political action committee, or the  
36 officers, management staff, and stockholders of a corporation or  
37 similar enterprise, or the members of a labor organization or other

1 membership organization; or the rendering of personal services of the  
2 sort commonly performed by volunteer campaign workers, or incidental  
3 expenses personally incurred by volunteer campaign workers not in  
4 excess of fifty dollars personally paid for by the worker. "Volunteer  
5 services," for the purposes of this section, means services or labor  
6 for which the individual is not compensated by any person.

7 (2) Within five days after the date of making an independent  
8 expenditure that by itself or when added to all other such independent  
9 expenditures made during the same election campaign by the same person  
10 equals one hundred dollars or more, or within five days after the date  
11 of making an independent expenditure for which no reasonable estimate  
12 of monetary value is practicable, whichever occurs first, the person  
13 who made the independent expenditure shall file with the commission  
14 (~~(and the county elections officer of the county of residence for the~~  
15 ~~candidate supported or opposed by the independent expenditure (or in~~  
16 ~~the case of an expenditure made in support of or in opposition to a~~  
17 ~~local ballot proposition, the county of residence for the person making~~  
18 ~~the expenditure~~)) an initial report of all independent expenditures  
19 made during the campaign prior to and including such date.

20 (3) At the following intervals each person who is required to file  
21 an initial report pursuant to subsection (2) of this section shall file  
22 with the commission (~~(and the county elections officer of the county of~~  
23 ~~residence for the candidate supported or opposed by the independent~~  
24 ~~expenditure (or in the case of an expenditure made in support of or in~~  
25 ~~opposition to a ballot proposition, the county of residence for the~~  
26 ~~person making the expenditure~~)) a further report of the independent  
27 expenditures made since the date of the last report:

28 (a) On the twenty-first day and the seventh day preceding the date  
29 on which the election is held; and

30 (b) On the tenth day of the first month after the election; and

31 (c) On the tenth day of each month in which no other reports are  
32 required to be filed pursuant to this section. However, the further  
33 reports required by this subsection (3) shall only be filed if the  
34 reporting person has made an independent expenditure since the date of  
35 the last previous report filed.

36 The report filed pursuant to paragraph (a) of this subsection (3)  
37 shall be the final report, and upon submitting such final report the

1 duties of the reporting person shall cease, and there shall be no  
2 obligation to make any further reports.

3 (4) All reports filed pursuant to this section shall be certified  
4 as correct by the reporting person.

5 (5) Each report required by subsections (2) and (3) of this section  
6 shall disclose for the period beginning at the end of the period for  
7 the last previous report filed or, in the case of an initial report,  
8 beginning at the time of the first independent expenditure, and ending  
9 not more than one business day before the date the report is due:

10 (a) The name and address of the person filing the report;

11 (b) The name and address of each person to whom an independent  
12 expenditure was made in the aggregate amount of more than fifty  
13 dollars, and the amount, date, and purpose of each such expenditure.  
14 If no reasonable estimate of the monetary value of a particular  
15 independent expenditure is practicable, it is sufficient to report  
16 instead a precise description of services, property, or rights  
17 furnished through the expenditure and where appropriate to attach a  
18 copy of the item produced or distributed by the expenditure;

19 (c) The total sum of all independent expenditures made during the  
20 campaign to date; and

21 (d) Such other information as shall be required by the commission  
22 by rule in conformance with the policies and purposes of this chapter.

23 **Sec. 8.** RCW 42.17.380 and 1982 c 35 s 196 are each amended to read  
24 as follows:

25 ~~((1) The office of the secretary of state shall be designated as  
26 a place where the public may file papers or correspond with the  
27 commission and receive any form or instruction from the commission.~~

28 ~~(2))~~ The attorney general, through his office, shall supply such  
29 assistance as the commission may require in order to carry out its  
30 responsibilities under this chapter. The commission may employ  
31 attorneys who are neither the attorney general nor an assistant  
32 attorney general to carry out any function of the attorney general  
33 prescribed in this chapter.

34 **Sec. 9.** RCW 42.17.450 and 1973 c 1 s 45 are each amended to read  
35 as follows:

36 ~~((Persons with whom statements or reports or copies of statements~~

1 ~~or reports are required to be filed under this chapter shall preserve~~  
2 ~~them for not less than six years.))~~ The commission(~~(, however, shall)~~)  
3 must preserve (~~(such)~~) statements or reports required to be filed under  
4 this chapter for not less than ten years.

5 NEW SECTION. **Sec. 10.** The following acts or parts of acts are  
6 each repealed:

7 (1) RCW 42.17.375 (Reports filed with county elections official--  
8 Rules governing) and 1983 c 294 s 1; and

9 (2) RCW 42.17.550 (Independent expenditure disclosure) and 1993 c  
10 2 s 23.

--- END ---